The New Role of CVS Health

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Michigan House Health Policy Committee May 2015 Presentation



Helping People on their Path to Better Health in Michigan



247

4 new stores opened in 2015 CVS/pharmacy stores



5400+

nurse practitioners pharmacists and **Employees including 743**



convenient affordable health **Minute Clinics providing** care for common illnesses and minor injuries





15,532,971

Michigan prescription claims mail pharmacies processed through our PBM



MI Facilities

and municipal taxes

\$76,830.031 in state Tax Contributions

· Novi

West Bloomfield

· Troy



\$181,940

community giving. to Michigan non-profits in



Removed all tobacco products

CVSquitsforgood

in September 2014

CVS Health National Presence

CVS/ PHARMACY

- 7,800 stores
- 5M customers served daily
- 26,000 pharmacists
- ExtraCare® nation's largest loyalty card

MINUTECLINIC®

- 900+ clinics in 31 states and DC
- 24M+ patients served with 95% customer satisfaction rating
- Significant expansion planned to meet patient need

CVS/CAREMARK

- 2,000+ clients
- Nearly 65M members
- Includes 6.8M Med D and 8M Medicaid
- 83M+ prescriptions delivered

CVS/SPECIALTY PHARMACY

- 700K specialty
- 6M claims annually

patients

Access through 7,800+

CVS/pharmacy store locations*

WORKING TOGETHER TO ADVANCE YOUR STRATEGY

- Groundbreaking advances in medication adherence
- Industry-leading connectivity with providers and patients
- Active and unique collaborations with ACO/PCMHs/IDNs
- More effective patient engagement and award-winning digital and web
- Integrating experiences to deliver comprehensive, industry-tested solutions

Evolving with the Health Care Landscape

1965: enacted Medicare are Medicaid & 1963 a retailer Began as 1967 pharmacy Added CVS/pharmacy sharply care costs 1968: Health aw signs HMO 1973: Nixon PHARMASCARE of CVS/pharmacy stores become part of the family 1998: Arbor Drugs does not garner enough management Michigan
1994
1000 benefits Pharmacy Added (Clinton health reform 1994: Health Security Act Expansion 1998 2006: Medicare Part D launches begin to rise again after managed care Clinic launches as costs In 2000, first Minute -minute clinic CAREMARK 2006 service offerings added to our MinuteClinic company in the U.S. creates the largest integrated pharmacy Merger with Caremark 2007 Medicare boomers begin to age into passes, expanding 2010: Affordable Care Act insurance coverage. Baby gain acceptance in the wake of the H1N1 scare pharmacists begin to 2009, flu shots by CORAM specialty infusion Announcement of services addition of Coram 2013 2013: launch Exchanges 2014 stops selling tobacco CVS Health

increases

support

Economic and Demographic Factors

Rising Health Care Costs

up to

36 million

newly insured by 2019

Aging Populations

turn 65 every day 10,000

prescriptions Abandoned

110 million

Abandoned each yea

Chronic Disease

\$1.5 trillion

Spent each year

\$290 billion Non Adherence

in excess costs each

Examples of How We Are Enabling Innovation



Partnering with Health Plans

Expanding Role in Specialty

> **Digital Offerings** Integrated





Adherence Unlocking

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Primary Care Transforming



with Providers Differentiating

Current Health System Affiliations





MedStar Health

Texas Health
Resources

Hartford HealthCare

Lahey Health

Memorial

PALMETTO | HEALTH













:: Barnabas Health











UCLA Health



North Shore LIJ









Carolinas HealthCare System



M Dartmouth-Hitchcock

₩ OhioHealth

BAPTIST



C Dignity Health





















Advocate Health Care

Indiana University Health

National & ACC

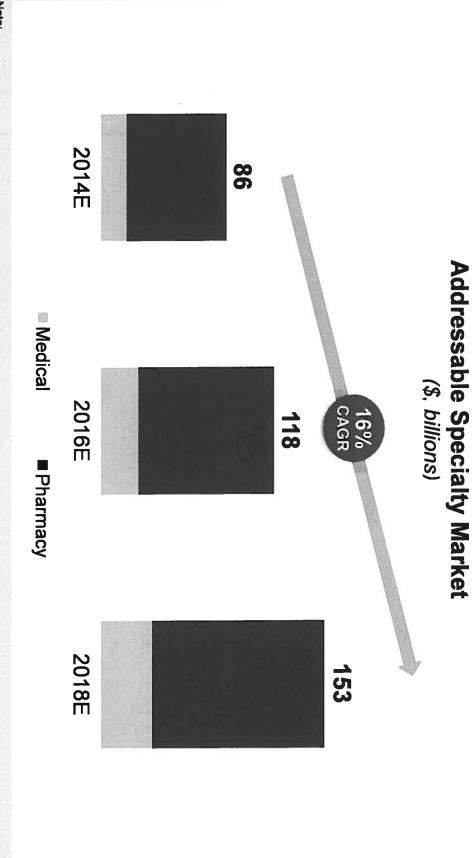
American Health Associates West Florida







Addressable Specialty Market is One of the Fastest Growing Segments in Health Care



Addressable specialty market currently excludes infused oncology.
 Source: NHE, Artemetrx, CVS Health Internal Analysis, 2013.

Specialty Connect™: Helps Improve Access, the Quality of Patient Care and Convenience

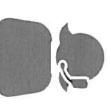
PRESCRIPTION INITIATED AT PATIENTS' CHOICE OF PHARMACY*



SPECIALTY

PHARMACY

24/7 PERSONALIZED EDUCATION **AND SUPPORT**



THERAPY-SPECIFIC SPECIALTY CARETEAMS COUNSEL PATIENT

PATIENT'S LOCATION OF DRUG DELIVERED TO CHOICE



PHARMACY*

50% of patients preferred to pick up at retail

13%

through Specialty Connect Increase in adherence

Connecting the System and Meeting Patient Care Goals



Hospital System





₹@

Pharmacy



Thank You



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